

# **Questions & Answers On Buying Property for Montana Highways**



***Montana Department of Transportation***

**Highway improvements planned for your area may require some of your property. So we're providing this information to help you understand how the process works and what you can expect.**



### ***How will I be affected?***

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Most major projects, as well as some smaller ones, require a wider right of way or changes in the alignment of the road, intersections or bridges. These improvements are planned to minimize impacts on property and still meet modern safety requirements. While both objectives can be met at times, at other times more room is required to accommodate a safer design. So additional property may be needed.

If these improvements will affect your property, we'll contact you, listen to your concerns and work with you to prevent or resolve potential problems.



### ***How Much Time Will I Have?***

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We'll make every effort to purchase the property well in advance of construction and leave you with plenty of time to make decisions and arrangements.

You should have some information about our plans long before you are personally contacted. News articles and meetings with interested people in your area are scheduled before we complete the project design so that we can consider any ideas or concerns and take them into account.

If you're concerned a project is being developed that affects your property and you haven't heard anything from the department, we urge you to contact a Department of Transportation office in your area to find out whether there is a project or not and what the status is.



### ***When will I know if my property will be affected? Who will contact me?***

Once the new project has been designed and we know what the specific right of way needs will be, you'll be contacted by an agent from the Right of Way Bureau. The new highway design and the right of way requirements will be discussed, and we'll talk about road approaches, irrigation, fencing, landscaping or any other issues important to you.



### ***How is property value determined?***

It's the State's responsibility to offer you a fair price for your property—the amount selling your property on the open market would bring.

For simple or minor acquisitions, we can make you an offer without a formal appraisal. In these situations, the determination of property value and an offer to purchase will often be made by the same agent.

If property of considerable value is involved, or the acquisition is complex, a fully-documented appraisal is required. In this case, the agent assigned to negotiate a purchase with you will not have been involved with the appraisal of your property. However he or she will be knowledgeable and will have studied the information in the appraisal and related documents.

Again, we have a duty to fully inform you of the effect of the new highway project on you. We're here to answer your questions.



### ***Why more property? Can't you just use what you already have?***

Highways built many years ago often can no longer handle the increase in traffic. And newly rebuilt highways must be built to modern safety standards. As a result, owners of property along existing highways may be faced with the loss of property or changes that affect their property.



### ***What about the improvements on my property?***

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If your buildings or other improvements such as fences are in the new right of way, the state must purchase the improvements at the appraised value. If you're interested, it's possible to buy back these improvements (for their appraised salvage value) and move them to another location.



### ***What if I have to sell my house and move?***

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If it becomes necessary for you to move, the State offers relocation assistance to help minimize the inconvenience—in addition to compensation paid for the property. The assistance comes in many forms and may include supplemental housing payments, payment of moving expenses, and advice on a broad range of issues related to the relocation, from housing needs and desires to social services and referrals to other agencies and community services.

For information on relocation assistance, call our Helena office at 444-6055—an informative booklet is available on request.



### ***What about crops?***

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If crops have been planted, the usual procedure is to base the offer on the understanding the owner will harvest existing crops and no new crops will be planted. If the schedule is such that construction prevents harvesting crops, the offer will include payment for the crops.



### ***Will I have to pay income taxes on the sale?***

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The sale of private property for public purpose comes under the Internal Revenue classification of “involuntary conversion.” It may not be necessary to pay income or capital gain tax depending on how and when you reinvest any profits from the sale. Any payment for damages may not be taxable.

We suggest you contact an office of the Internal Revenue Service or your tax accountant to find out the current requirements.



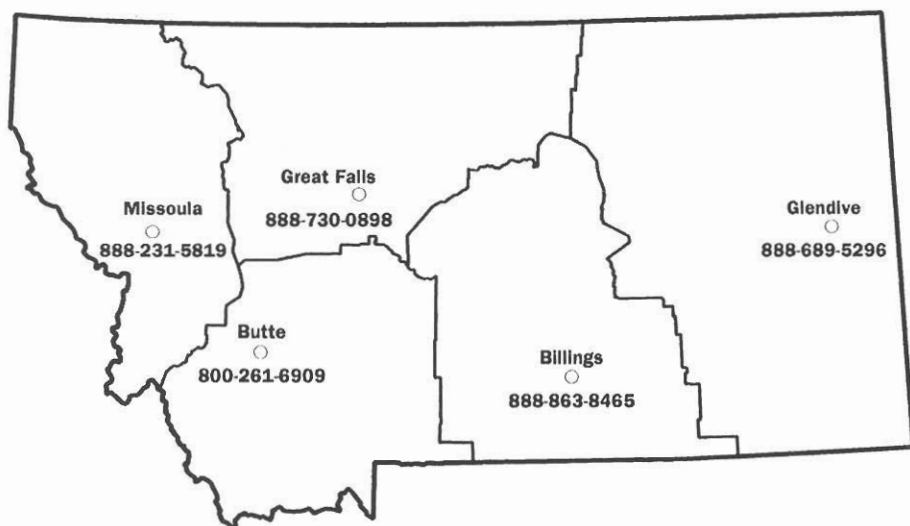
### ***Can the state force me to sell my property? What if I don't agree the offer is fair?***

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If you can't agree with the property values and decide not to accept the State's offer, we'll take steps to acquire the property necessary for the new right-of-way through legal action. “Eminent domain” is the provision in law whereby private property can be acquired for the public good, as long as the owner is paid a fair price.

In such cases, proceedings called “condemnations” are started in court. These proceedings may include a hearing to determine if the acquisition of your property is necessary, and a hearing to determine property values. Your rights are protected by law and you will have the opportunity to present your side of the issue. In some cases, trial before a jury is among the steps toward resolving disputes.

**This map shows the five district offices of the Montana Department of Transportation. Feel free to call the office in your area for more information or to find out the status of a project.**



If you have questions about the purchase of your property for a highway project, please write:

**Montana Department of Transportation**

**Right of Way Bureau**

**PO Box 201001**

**Helena, MT 59620-1001**

or call:

(406) 444-6055

If you're not satisfied with the information you receive on this or other programs of state government, or want help resolving a problem, the **Governor's Citizens' Advocate** may be able to help. Office hours are 8 to 5, Monday through Friday. Call toll-free 1 800 332-2272. (For the hearing impaired, use this same number for TDD calls.)



**Montana Department of Transportation**

*Two thousand five hundred copies of this public document were produced at a cost of about 4¢ each (total cost of \$90). Distribution is predominately through personal contact. Right of Way Bureau, Montana Department of Transportation, PO Box 201001, Helena MT 59620-1001. Phone (406) 444-6066. MDT is on the web at [mdt.state.mt.us](http://mdt.state.mt.us). For the hearing impaired, the TDD number is 444-7696. Alternative accessible formats of this document will be provided on request. (DJU 9/99).*

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